

DDC Inks a New Deal and Saves Money

The Defense Distribution Center (DDC) Procurement Office recently contracted with a local company, Business Information Group Inc. out of York, Penn., to provide ink cartridges for the Kyocera Mita printers that are used at many distribution depots for printing the military shipping labels including the 2-D barcode.

Based on the estimated amount of toner needed annually, the DDC Procurement Office was able to develop a contract for a lower unit price. Previously, separate orders for replacement cartridges were placed by each distribution center or the DDC Contracting Office. "With the new contract, the depots can now place orders under one basic contracting document that was awarded on a competitive basis and provides a lower price than what was previously offered by the General Services Administration (GSA)," said Renee Cairo-Iocco, Chief, Procurement Office. Based on the average previous price of the cartridges, it is estimated that this new contract will save an average of 21.4% per cartridge.



By contracting with a local supply company, DDC was able to save money on the purchase of ink cartridges for the printers used to print military shipping labels.

DCC Commander Speaks to NDTA

Defense Distribution Center (DDC) Commander BG Kathleen M. Gainey, USA, spoke to members of the National Defense Transportation Association (NDTA) about two DDC initiatives—forward stocking and the Distribution Planning and Management System (DPMS).

"The National Defense Transportation Association is vital to maintaining a strong and efficient global transportation and distribution system and the New Cumberland Chapter is vitally important to DDC," said BG Gainey.

BG Gainey described DDC's forward stocking initiatives where placing high demand, bulk material is being placed closer to the customer resulting in reduced transportation costs and improved customer wait time (CWT).

DDC has been using Defense Distribution Depot Europe (DDDE) located in Germersheim, Germany, to forward stock items needed by European and customers. By placing these items closer to the customer instead of shipping them from the United States, DDC can get the supplies to the customers twice as fast and reduce transportation costs. "Shipping by surface versus air significantly reduces the transportation bill," explained BG Gainey. Current shipments from DDDE are about 13 cents per pound compared to \$1.75 to \$3.50 for air shipments.

Two additional locations that DDC uses for forward stocking are Yokosuka, Japan, and Pearl Harbor, Hawaii, where CWT has been cut by more than half.

BG Gainey also explained how the use of DPMS will allow for earlier control of shipments, smoother processing and enhanced security. "The earlier we are able to identify a shipment, the earlier we are able to provide customer tracking

information so everyone will know exactly where their material is," said BG Gainey.

DPMS is a tool that will provide better visibility of the material owned and managed by DLA that is shipped to the customer from the vendor. "Knowing precisely what is coming at you and when or where it is, grows confidence in the supply chain both by and for the customer," said BG Gainey.



DDC Commander, BG Kathleen M. Gainey, USA, speaks to members of the NDTA about DDC initiatives.